

Taxes V. 12.

AN EASY
METHOD
Of discharging the
NATIONAL DEBT,
WITH THE
Consent and Approbation
OF THE
STOCK-HOLDERS.



L O N D O N:

Printed and Sold by HENRY KENT, at the
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A. N. E. A. S. Y.

M. E. T. H. O. D.

Of the



Constitution and Application

OF THE

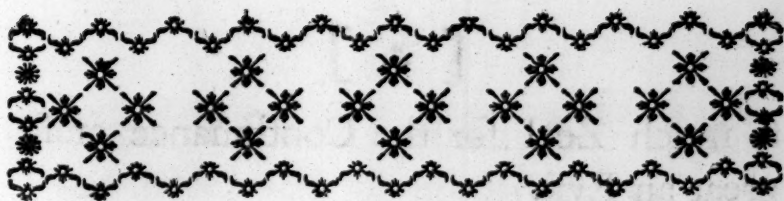
STOCKHOLM

1847

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A N E A S Y
M E T H O D

Of discharging the
NATIONAL DEBT, &c.

 MISTAKEN as my Countrymen might be in Politics, when they so lately called out for a Continuance of the War, in hopes of obtaining better Terms of Peace; yet as few, very few of them, could expect any private Advantages to themselves by a better Peace; and as by a Continuance of the War, they must be certain of an Increase of Taxes, and an Addition to the Number of their slaughtered Friends and Countrymen: Nothing but a true patriotic Spirit, and Love for the Welfare of their Posterity, could induce them to express

so much Zeal for the Continuance of so great an Evil.

IT was from this true patriotic Love for our Country, that we with one Heart and Voice raised the great and necessary Supplies of Money, requisite for carrying on the War; and the same Spirit taught our Soldiers and Sailors to fight and conquer.

THERE is no Doubt but the Annals of these Days will be faithfully transmitted to latest Ages; and with what additional Lustre will they appear, if in every Recital of the Virtues of these Times, it shall be told, — THAT this Generation, to convince Posterity, they fought and conquered, not for themselves alone; that after having born a seven Years War, the most expensive that was ever known, by which, and three former Wars, in three former Reigns, the National Debt was grown to One Hundred and Forty Millions Sterling; this truly *patriotic People*, to the
Burthen

Burthen of Taxes, which they at this Time bore, laid upon themselves another, to discharge the National Debt, that their ancient *Rights* and *Possessions* might be handed down to Posterity, together with their *new Acquisitions*, the Fruits of their *Victories*, free from those Taxes with which they willingly burthened themselves, but were too generous to leave, as a perpetual Load, on their Posterity.

HOWEVER difficult, and at first Sight, impracticable, it may seem to many, to pay off or annihilate the National Debt. yet from the real Love the Patriots of the present Age have for the future Welfare of their Country, it seems to be not wholly impracticable.

GREAT Part of the Nation thought that it would have been better for *Britain* to have continued the War some Years longer, in hopes of making more advantageous Terms of Peace.

BUT

BUT could any additional Number of Years of most successful War, afford any Advantages to this Nation, equal to the discharging of the enormous Debt of the State?

OUR mistaken Patriots, who were unwarily for increasing it, should be informed, that without any further Expence of National Blood and Treasure, instead of adding to the Debt, and loading, not only themselves, but Posterity likewise, to pay the Interest on the Debt so increased, for ever; a less Sum than would have been sufficient to have paid only the Interest of Money borrowed, to have carried on the War but two Years longer, will be sufficient in a few Years, to annihilate the whole of the National Debt.

To pay the Interest of this Debt, and Produce of the Sinking Fund, near Seven Millions must be annually raised by the Public; for more than Five are paid to the Creditors of the State; and unless
some

some Measures are taken to prevent it, this prodigious Tax is entailed on our Posterity for ever.

THE Winter before last, the Three *per Cent.* Annuities were very near as low as Sixty Pounds for a Hundred; and they would certainly have been lower now, if the War had continued. Since the Beginning of the Year 1761, upwards of Thirty Millions have been added to the Debt, and the Mony to be raised by us and our Posterity, to pay the Interest only of these two Years borrow'd Mony, is Fifteen Hundred Thousand Pounds a Year; and as Interest, if the War had continued, must have been higher, not less than the like Sum, for more additional Interest, most likely would have been required for two Years longer Continuance of the War,

Now if instead of slaughtering and diminishing the Numbers of our Countrymen, and instead of spending, perhaps, Thirty Millions in present Mony, and
Fifteen

Fifteen Hundred Thousand Pounds yearly, to pay Interest on that Sum for ever ; this Interest Mony only thus saved, by putting an End to the War now, instead of two Years hence (supposing it to be in our Power to put an End to it when we pleased) will, if raised and regularly appropriated, be sufficient totally and speedily to annihilate the National Debt, large as it is.

For if the annual Sum of Fifteen Hundred Thousand Pounds alone, without any Assistance from the Sinking Fund, was laid out half yearly, in the same manner as the Interest on the public Funds are paid, it would amount to more than the Whole of the National Debt in fifty Years.

Tho' this will appear to be Matter of Fact by the Rules of Vulgar Arithmetic, it may have too many Objections to it from State Arithmetic ; we must for fifty Years be free from foreign and domestic Jars, to enable our Ministers to pursue the

the Plan ; and what would be stranger still, we must have, for the same Term, Ministers both of the first and second Class, who would not allow of the Misapplication of any of the public Treasure ; and if both these unlikely Events were to happen, the continual Perturbation and disturbed State of the Stocks, would be no small Evil ; and a perpetual Cause of Jealousy and Opposition would attend the Ministry, on account of their prior Knowledge of what would be next paid off. For these, and many other Reasons, frequent Payings off should be avoided, and the whole Work should be accomplish'd at one or two Strokes.

ALTHOUGH it is too much to expect fifty Years uninterrupted Tranquillity ; yet the Sufferings of our Enemies by the late War, the Equitableness of the late Peace, the Goodness of His Majesty's Heart, free from Ambition of Conquest, or the Will to disturb the Peace of Nations, and very desirous to make Peace and Plenty flourish at Home, his being in the Prime of Life, which gives Hopes of a Continu-

B ance

ance of equitable, just and frugal Measures, may give us Reason to hope and expect, that the Tranquillity of our Country may endure for twenty Years at least, which short Period will sufficiently annihilate the National Debt, if the Sinking Fund only be immediately properly appropriated.

AND for this Purpose I should be glad to see an Act of Parliament pass in the approaching Winter, giving such Encouragement to the Stock-holders, as should induce many of them to relinquish the Perpetuities of their Annuities, for Annuities determinable at certain Periods, suppose at the End of twenty, forty, and sixty Years; it is not to be expected that the Proprietors will consent to this, but for a reasonable Equivalent, which can be no other than an Increase of Interest, equal in present Value, to the Difference of Annuities determinable at such Periods, and the Fee Simple of the Perpetuities of the present Annuities.

I SHOULD hope that the Sinking Fund is already sufficient, or with very little
Difficulty

Difficulty might be made able to bear Fifteen Hundred Thousand Pounds a Year additional Charge upon it, which is as much as is needful for the Purpose. But if it is insufficient, what Nobleman, Gentleman, Tradesman, Farmer, Mechanic, or even Labourer, would grudge to contribute, for a few Years (about twenty only) a few Pounds, Shillings, or Pence, to free himself from many, and his Posterity from all of the most burthenfome Taxes, now raised, and for ever to be raised, unless thus redeemed.

It may be said, that an Increase of Interest would cause an Increase of Luxury, and draw useful Money and Hands from Trade and Manufactures, at the very Time in which the Nation stands most in need of an extraordinary Exertion as to both, to make the best Advantage of our old and new Colonies; and it must be allow'd, that every thing, which will contribute to the Increase of Luxury, should be avoided as much as possible.

BUT the National Debt can never be discharged with Honour to the State, without some present Inconvenience of this Kind; and two Years longer War, in all Probability would have taken or cost Thirty Millions in present Mony, and the Interest, which would have been intail'd upon our Posterity in Perpetuity, to pay for the borrow'd and expended Mony, would have increased the half yearly Dividends payable to the idle Stock-holders, as much as the additional Interest, which will be wanted for twenty Years only, (instead of forever) to pay off the Whole of the National Debt.

AND altho' the Interest on Part of the public Funds should be increased for a few Years, the Debt itself will not; the Total Value of the Stocks at the Time, and immediately after the Alteration of the Tenure, would not be affected by it: For I would not wish to see any Alteration made in the Tenure of the Stock-holders Properties, which would at the Time of the Alteration being made, decrease the present Value of them.

IT is pretty generally allow'd, that the Seven Millions of Mony, which is annually raised by Taxes on the Nation, to pay the idle Stock-holders, is a great Hindrance to the increasing of our foreign Trade; and the adding more than another Million Interest - Mony to the Sum already paid them, appears at first Sight to increase the Evil in the same Proportion; and so does a Man's taking nauseous Physic increase the Trouble of his present Sicknefs, but without it he can't be cured. The Nation is sick, and must take Physic for twenty Years, if it is desirous of being cured.

THE additional Taxes will be but little, if any; and if the additional Interest is to last but twenty Years, and immediately after, the Total of the Interest Mony paid to the Stock-holders should be greatly less'n'd, then the additional Interest paid but for twenty Years, will not, even during that Time, in any Proportion increase the additional Evil; for the greatest Part of the Mony which shall be paid for the Purpose of Annihilation, will, when the
the

the Total Amount of the Stock is daily decreasing, find its Way back again into Trade : For suppose I am intitled to one Hundred Pounds a Year Perpetuity, and the Government would give me two Hundred Pounds a Year, for twenty Years, for or instead of my Perpetuity : if I am so extravagant as to spend the Whole of my Income, I shall have sent Two Thousand Pounds as effectually into Trade, as if I had sent to *Quebec*, Goods to the Amount of that Sum ; and in twenty Years, both myself and Children must contribute our daily Labour to the Increase of the national Trade and Manufactures ; and if I do not thus spend my Mony, either myself or Children will find Employment for it in Trade.

THEREFORE if an Annuity for Life, or a large Interest for a short Term of Years, should tempt some indolent, unfortunate, or Elder Traders, to quit Business, their Places will be immediately supply'd by others, better qualified to do both themselves and Country Service ;

Some

Some People must be the *Possessors* of the Public Stocks, but it is of very little consequence to the State, *Who they are*.

THAT many Objections may be made to, and many Difficulties attend every Scheme for Annihilation, is most certain; but the Question is, Is the Work of annihilating the Debt, proper to be set about? And if proper, how can it be done?

THE Propriety of doing this is but too evident; many Methods may be offer'd; I am taking the Liberty to hint at one. By any thing I have or shall say, I hope not to give Offense to any Body: The Community has often received Benefit from the Hints and good Wishes of its weakest Members.

I PRESUME therefore to say, that I should not think it advisable for the Ministry, to offer any Terms to the Public's Creditors to accomplish the desired End of discharging the National Debt, but such as should cause a Kind of Scramble to be admitted to them; by offering to
them

them in present, the full Value of what they should be asked to relinquish in future. The Reduction of Interest after the former War, on Part of the National Debt, was too Partial; and had it not been for some particular Artifices, hardly warrantable, the Scheme had been fruitless, and perhaps never after to be effected.

THIS and many other Instances in common Experience shew, that great Uneasiness is caused by Disadvantages near approaching, and but little Uneasiness by such as are remote and at a Distance; and on the Contrary, present Advantages attract very strongly, and remote ones but very weakly.

IT is not only owing to these selfish Dispositions in the Nature of Mankind for coveting present Advantages; but in Money-Matters after the coolest Deliberations, and most accurate Calculations, it is found to be Matter of Fact, that a little present Money is intrinsically equal to a great Sum, not payable till after
many

many Years are expired; one Pound present Mony is worth, that is, will amount to five Pounds ten Shillings in fifty Years, and to thirty Pounds in a hundred Years, supposing Mony at three and half *per Cent.* Interest; yet few Men could be found, who would give one hundred Pounds down, for three thousand, of which no Part should be paid till after a hundred Years were expired. So a Perpetuity of one Pound *per Annum* is worth, at the same Rate of Interest, 28*l.* 11*s.* 6*d.* present Mony, of which

The first twenty Years is	}	<i>l.</i>	<i>s.</i>	<i>d.</i>
worth in present Mony —		14	4	3

The second twenty Years	}			
is worth — — — —		7	2	10

The third twenty Years is	}			
worth — — — —		3	11	9½

The fourth twenty Years	}			
is worth — — — —		1	16	1

And the Perpetuity, not to	}			
take Place till after eighty		1	16	6½
Years are expired, is worth				

£28 11 6

A VERY little Advantage given to the Buyers, would procure Purchasers enough for the first twenty Years, but few Purchasers could be found for the Perpetuity, not to take Place till after eighty Years should be expired: Hence it is, that limited Annuities of forty, and thence to sixty Years certain, are really worth, and do sell for near as much as Perpetuities.

Now if we look upon the National Debt in this View, the Annihilation of it does not appear difficult; and his Majesty with the major Part of his Subjects, may, if the Work is immediately set about, reasonably expect to see it nearly accomplish'd.

IF it were to be asked the Nation, Which would be better for it, to owe and pay Interest for one hundred and thirty Millions for ever, or to pay Interest for one hundred and sixty nominal Millions for twenty Years only, the Debt then to remain but one hundred Millions, and then to pay Interest for that hundred Millions for another

another twenty Years, the Debt then remaining fifty Millions, and for this fifty Millions another twenty Years, the whole Debt then annihilated? I believe the general Answer would be, by all Means annihilate, although it were necessary to lay a new Tax upon the Nation to pay the whole Interest for twenty Years, on the nominal new Debt of thirty Millions; but I should hope the Taxes at this Time in being, if continued, would be altogether or nearly sufficient to perform the Work, provided they be immediately properly applied.

As half *per Cent.* on the three and half *per Cent.* Annuities, one *per Cent.* on the four *per Cents.* all the Life Annuities, and the Long Annuities, created for King William's, Queen Ann's, and the late War, must determine of course, it will be sufficient for the Annihilation of the Debt; if the additional Interest I propose, should be given to those, who should first subscribe * ninety Millions of the

* The three and half *per Cents.* and four *per Cent.* are in Perpetuity, but three *per Cents.* the Superiority of the latest expiring is sixteen Years.

Stocks (or Debt) thirty Millions to be annihilated at the End of every twenty Years, for receiving the following additional Interests, viz.

THREE Pounds *per Cent. per Annum*, on thirty Millions for twenty Years.

ONE Pound *per Cent. per Annum*, on thirty Millions for forty Years.

ONE Pound *per Cent. per Annum*, on thirty Millions for sixty Years.

THUS in sixty Years, ninety Millions of the National Debt would be annihilated; and if the Savings of Interest Money only on the annihilated Debt, were appropriated to the paying off the unsubscribed Part of the Debt, the Whole of the present enormous Load, would be discharg'd by the Expiration of the last Term.

Now let us make a few Calculations, to see what the State or Stock-holder, would actually get or lose by the proposed

posed Alterations: If the Interest of Mony is Three *per Cent.* the Value of a Perpetuity of one Pound *per Ann.* is worth, in present Mony, 33*l.* 6*s.* 8*d.* so the Value of three Pounds *per Ann.* determinable one at 20, one at 40, and one at 60 Years, would be 34*l.* 6*s.* 9*d.* in present Mony, worse than the Perpetuity, *viz.*

1 <i>l.</i> <i>per Ann.</i> for 20 Years certain, is worth 14 <i>l.</i> 17 <i>s.</i> 6 <i>d.</i> or less than Perpetuity	—	18	9	2
1 <i>l.</i> <i>per Ann.</i> for 40 Years, is worth 23 <i>l.</i> 2 <i>s.</i> 3 <i>d.</i> or less than Perpetuity	— —	10	4	5
1 <i>l.</i> <i>per Ann.</i> for 60 Years, is worth 27 <i>l.</i> 13 <i>s.</i> 6 <i>d.</i> or less than Perpetuity	— —	5	13	2
3 <i>l.</i> <i>per Ann.</i> Perpetuity worth 100 <i>l.</i> if determinable as above, are worse by	— —	34	6	9

So likewise if Mony is worth Three and Half *per Cent.* Interest, the Perpetuity of one Pound *per Ann.* is worth 28*l.* 11*s.* 6*d.* — and

1*l.*

1*l.* *per Ann.* for 20 Years, is } *l.* *s.* *d.*
 worth 14*l.* 4*s.* 3*d.* or less } 14 7 3
 than Perpetuity — —

1*l.* *per Ann.* for 40 Years, is }
 worth 21*l.* 7*s.* 1*d.* or less } 7 4 5
 than Perpetuity — —

1*l.* *per Ann.* for 60 Years, is }
 worth 24*l.* 18*s.* 10*d.* or less } 3 12 8
 than Perpetuity — —

3*l.* Perpetuity worth 85*l.* 14*s.* }
 6*d.* if determinable as above, } 25 4 4
 are worse by — —

But as the present Interest of Mony is
 nearer Three and Quarter *per Cent.* than
 either Three or Three and Half, I shall
 make a Calculation, and proceed at that
 Rate, by which the Perpetuity is worth
 30*l.* 19*s.* 1*d.* and

1*l.* *per Ann.* for 20 Years, is } *l.* *s.* *d.*
 worth 14*l.* 10*s.* 10*d.* or less } 16 8 3
 than Perpetuity — —

1*l.* *per Ann.* for 40 Years, is }
 worth 22*l.* 4*s.* 8*d.* or less } 8 14 5
 than Perpetuity — —

1*l.* *per Ann.* for 60 Years, is }
 worth 26*l.* 6*s.* 2*d.* or less } 4 12 11
 than Perpetuity — —

3*l.* Perpetuity worth 92*l.* }
 17*s.* 3*d.* if determinable as } 29 15 8 7
 above are worse by — —

So

So that were the whole or part of the National Debt to terminate in three equal Shares, one at the End of twenty, one at forty, and one at the End of sixty Years, every hundred Pounds Stock, or three Pounds yearly Annuity, would be in reality at this Time (*i. e.* valuing Money at three and a quarter Interest) 29*l.* 15*s.* 7*d.* less valuable than the Perpetuity. So by the same Rate the Possessor of three hundred Pounds Stock, or nine Pounds Annuity, would lose by the Alteration 89*l.* 6*s.* 9*d.* and by the Terms offer'd him to accept of the proposed Alteration, he would be Gainer of

3 <i>l.</i> <i>per Annum</i> , for twenty	Y	l.	s.	d.
Years, worth 14 <i>l.</i> 10 <i>s.</i> 10 <i>d.</i>	}	43	12	6
<i>per lib.</i> — — — —	}			
1 <i>l.</i> <i>per Annum</i> for forty	Y	22	4	8
Years, worth — — —	}			
1 <i>l.</i> <i>per Annum</i> for sixty	Y	26	6	2
Years, worth — — —	}			
		<u>£92</u>	<u>3</u>	<u>4</u>

Now

Now though by this Calculation there appears to be near one Pound Advantage to the Stock-holder, upon every hundred Pounds Stock, when at three and a quarter Interest for the Mony laid out, yet should Interest decrease to three *per Cent.* before any Scheme of this Sort should be proposed, the Stock-holder, will be apt to say, he shall be near two and a half *per Cent.* Loser by the Alteration, therefore at the higher the Rate of Interest, the more advantageous a Proposal of this Nature will appear both to the State and Stock-holder, as will appear by comparing this Calculation of Interest at three and a quarter, with that of three *per Cent.* in Page 21, *viz.* three Pounds *per Annum*, at three *per Cent.* Interest, being reduced to determine at the three proposed Periods, is worth less thereby, 34*l.* 6*s.* 9*d.* whereas three Pounds at three and a quarter *per Cent.* Interest, being so reduced, is worse by 29*l.* 15*s.* 7*d.* And if we multiply the Sum of 34*l.* 6*s.* 9*d.* by three, to bring the Stock to nine Pounds *per Annum*, Annuity, as I have done with
the

the other for the Sake of more easily disposing or calculating my supposed additional Interest, the Loss on three hundred Pounds Stock, will be found to be 103*l.* 0*s.* 3*d.* and by the proposed Alteration the Stock-holder would only gain 95*l.* 8*s.* 3*d.* viz.

3 <i>l.</i> <i>per Annum</i> for twenty	}	<i>l.</i>	<i>s.</i>	<i>d.</i>
Years, worth in present Mony		44	12	6
at 14 <i>l.</i> 17 <i>s.</i> 6 <i>d.</i> <i>per Lib.</i> —	}			
1 <i>l.</i> <i>per Annum</i> for forty		23	2	3
Years, worth — — —	}			
1 <i>l.</i> <i>per Annum</i> for fixty		27	13	6
Years, worth — — —	}			
		£95	8	3

So that if Money should soon fall to three *per Cent.* and the Creditors of the State would accept of the proposed Terms, the Government would by every three hundred Pounds Stock, gain 7*l.* 12*s.*

THEREFORE if the Value of Money
 should soon fall to three *per Cent.* it may
 D possibly

possibly be necessary to make some little Addition to the Proposal, such as the Liberty of exchanging the first twenty Years for a Life Annuity, or two or three Years longer continuance of the Term of the first Class.

As I am not for waiting for the Rise of the Stocks, but for the Proposal being soon made; I do suppose there may be amongst the Stock-holders, some who will say, we want not to exchange our Perpetuities, for limited Annuities: The Government owes us an hundred Pounds, and we will take no less than a hundred for our hundred; whatever is paid us otherwise, will in some Degree, be after *French Method*.

To such, I would suppose the Government to answer; You need not subscribe to any Alteration, and most likely, it will not be long before you will be paid your hundred: but do not expect to be paid a hundred, and also Interest at higher Rate than three *per Cent.* or even that Interest long.

THE

THE Government lately owed some Millions for the Ordnance and Navy Debts, which when contracted were promised to be paid in fix Months, or *four per Cent.* Interest after that Time, till paid. These Bills, call'd Navy Bills, &c. could not be punctually paid at fix Months End, and were sold in *Change-alley* for considerable Discount: The Government, a few Months since, told the Proprietors, We cannot pay you at present: If you please, the Amount of your Bills shall be entered in our Books, as *four per Cent.* redeemable Stock. Now suppose if instead of this Offer, the Government had said, All such of you as think fit, for every hundred Pounds Bill, to accept of four Pounds *per Annum*, for fifty Years certain, shall be permitted to make the Exchange; which done, if you do not choose to keep them, you can sell them for ninety-five Pounds (more than you now sell your Bills for) and if you do keep them, and Mony should soon fall to three *per Cent.* you may then sell them for more than a hundred; would

there have been any thing like the *French* Method in this Tender?

AND suppose such Offer had been extended further, to the Possessors of the three *per Cent.* Stocks, though they would not be paid a hundred, or what would at present sell for a hundred; it could not be said injustice was done to the Proprietors.

I SHOULD think, those who are the best Friends to themselves, Families, and Country, would say, I can sell my Perpetuity for no more than ninety Pounds, but I can sell this limited Annuity for ninety-five Pounds, therefore in Point of Interest I will subscribe; and I am the more inclin'd to do it, as the State must be ruined, if some Method to discharge the old Debts, is not introduced, before the Nation is again involved in fresh Difficulties; wherefore I can set but little present Value on the Interest I have in the Perpetuity of the Stocks, which is not to accrue to me or my Posterity, till after fifty Years hence.

IF

IF we recollect to what low Interest Money was reduced, during the short Interval between the former and the late War; the Whole of which Time there was an Appearance of War approaching, and our *American* and *Asiatic* Colonies suffered great Interruptions, and were almost as in a State of War; what may we not reasonably expect from them now they are so much extended, and so well defended by the Barrier given to them by the late Peace. It is not to be doubted, but that Money in a few Years will fall to Two *per Cent.* only, and tho' this would naturally rise the unsubscribed Stocks to 150, their Possessors must hold them with Trembling, when they will see both the Intention and Power of the State to pay them off at Par; and they will then be apt to repent their having neglected to accept the Offer I have made bold to propose, should it be made to them; and which appears to be as little detrimental to the State and its Creditors, as any which I have ever heard hinted.

WITHIN

WITHIN a Day after the Determination of the Subscription, things will be as well settled, and as quiet in *Exchange-alley*, as if no Alteration had been made; for if the present Value of Mony is supposed worth Three and a Quarter *per Cent*.

100 <i>l</i> . Stock of the first Class of Annihilation, or	}	1. 3. <i>d</i> .
6 <i>l</i> . <i>per Ann.</i> for 20 Years certain, would sell for about		87 5 0
100 <i>l</i> . Stock of second Class, or	}	89 0 0
4 <i>l</i> . <i>per Ann.</i> for 40 Years, certain, would sell for —		
100 <i>l</i> . Stock of the third Class, or	}	105 5 0
4 <i>l</i> . <i>per Ann.</i> for 60 Years certain, would sell for —		

£281 10 0

which is very near three Pounds better than 300*l*. Stock Three *per Cents*, when they produce Three and a Quarter *per Cent*. Interest for the Mony laid out. And if Mony soon falls to Three *per Cent*, these Classes

Classes will all rise in their Value, and sell as three *per Cents.* at Par.

AND although in twenty Years, one Hundred Pounds of my Capital will be said to be annihilated, yet if nine Pounds *per Ann.* were sufficient for my Expenses before the Alteration, it might be so after it, in which Case, if I made Three *per Cent.* of the Additional Income, I should have in Mony 134*l.* and if I could make but Two *per Cent.* Interest, I should have in Mony 121*l.* and as most likely the real Value of Mony will be much decreas'd, it is not unlikely but a Certainty of 4*l. per Ann.* for twenty Years, and 4*l. per Ann.* for forty Years, will jointly be worth near as much as the Perpetuity of six Pounds *per Ann.* is now.

FOR if the Value of Mony should fall to Two *per Cent.*

	<i>l.</i>	<i>s.</i>	<i>d.</i>
4 <i>l. per Ann.</i> for 20 Years cer- } tain, will be worth —	65	8	0
and 4 <i>l. per Ann.</i> for 40 Years } certain, will be worth —	109	8	0
			To

To prove that this is no unlikely Supposition, let us look back to the Beginning of the present Century, and we shall find that Perpetuities were no more than about seventeen Years Purchase, and now Mony is decreased in Value to Three and a Quarter *per Cent.* Perpetuities are worth thirty Years Purchase.

THE Long Annuities granted in King *William's* Reign, which now have but about twenty-eight Years to continue, are worth near as much Mony now, as they were sixty Years ago, and those granted in Queen *Ann's* Reign, which have ten Years longer to last than the former, are worth more now than they were soon after they were created.

THEREFORE the present Stock-holders are not likely to be Losers, by a Contract with the State, like to what I have proposed.

AND with respect to the State, a Scheme of this Nature may be immediately set about, to the amount of
any

any Part of the Debt, as shall be judged most proper, and doubtless the Subscribers to it will be as many as wanted.

BUT if the Government should wait for the Stocks rising to more than par, or till the Treasury Coffers are sufficiently replenish'd to begin the Work of paying off, or reducing Interest; some Years of the precious Time of Peace may be elapsed, in which much of the Business may be done.

IT may be well worthy the Thoughts of the ablest and best Friends to the State, to consider, whether the further Reduction of Interest may not do more Harm than Good.

SUPPOSE a Gentleman of a Thousand Pounds a Year, has a Mortgage upon his Estate of Ten Thousand Pounds, at Three *per Cent.* and the Interest of Money should fall to Two *per Cent.* and he could thereby reduce his Incumbrance from three Hundred to two Hundred *per Ann.*;

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at first he might think himself happy, and look upon it the same as having paid off one third Part of the Debt, but when soon after he must pay every Labourer one Shilling and Six-pence *per* Day instead of a Shilling, and whatever he buys must be paid for in the same Proportion, he will find his additional Expenses greatly more than double to what his Savings are, by the Reduction of Interest; and the Debt upon his Estate will still remain Ten Thousand Pounds, and less likely for him to redeem than ever: That this has been the Case of the Landed Gentlemen, by the *Increase* of Taxes, and *Decrease* of Interest, is pretty certain.

THE 140 Millions of the public Funds are only *nominal* Wealth; the *real* is gone and spent; but they are a *real* Debt and heavy Mortgage, both upon the Landed and Personal Property of the Nation; and to reduce the Interest that is payable upon it, does not seem to promise much national Advantage: Honourably to discharge the Debt would be a *real* Good, and if possible

ble to be done, seems to be a Measure absolutely necessary.

To do which, if an uninterrupted Tranquillity, both Abroad and at Home, was to subsist for twenty Years; and the Sinking Fund produces, or is immediately made to produce Fifteen Hundred Thousand Pounds a Year; and the whole of it together with its compound Interest, were half yearly apply'd to discharge Part of the particular Debts, it would in twenty Years pay off Forty Millions. But tho' this Accumulation may be practicable with Money Dealers for moderate Sums, it does not appear to be so with the State; because the perpetual Disturbance of the Stocks would be attended with many bad Consequences: Yet, I say, could it be done, (which it cannot) the Debt would, after twenty Years regular and uninterrupted Annihilation, remain above a Hundred Millions; and most likely by this Time would again be increasing by fresh Wars; consequently Annihilation must stop; and the Prospect of any further Diminution of the Debt will be removed to so great a

Distance, as will place it almost out of Sight.

WHEREAS, if a Scheme of the Nature I propose, takes Place, tho' new Wars should make new Loans necessary, still the Annihilation of the old Debts is gradually going on, and so large a Sum as thirty Millions, is, every twenty Years, sinking into nothing, without the least Disturbance to the State, or public or private Credit.

FOR, as I have already said, within a Day or two after the Subscription was closed, every Article of the National Debt would, as it does now, find its Value; and as the first and second Subscriptions to the late Reduction of the Four *per Cents.* into Three, fold in the Alley for exactly so much more than the Three *per Cents.* as the Value of what they would produce more than the Three *per Cents.* (was worth in ready Mony) for the seven or five Years, in which their Proprietors were to receive more than Three *per Cent.* So likewise for the present

sent Four *per Cents.* which, if Perpetuities, would be worth, at the present Price of Stocks, near thirty Pounds for every Hundred Pounds Stock, better than the Three *per Cents.* but the additional one Pound *per Ann.* on them, being to continue only sixteen Years, it finds its real Value to be (in what is call'd Four *per Cents.*) about twelve Pounds only better than the Three *per Cents.* and when only five Years shall remain for the additional one Pound *per Ann.* they will be worth but Four Pounds ten Shillings more than the Three *per Cents.* and when only one Year shall remain, they will be barely worth one Pound more; and thus gradually lose all their Superiority.

IN like Manner would the first, second, and third Classes of Annihilation gradually sink into nothing: For though I could now sell my Interest in such determinable Annuities, for more Money than I can my present Perpetuities; yet twenty Years hence, when the first Class will be annihilated, I should value my Interest in the second and third Classes
(the

(the Value of Money then being the same as at present) at one Hundred and fifty Pounds only; but if to this, I add the Amount of my five Pounds *per Ann.* additional Interest, during the past twenty Years, there will be no Decrease in my Fortune.

THEREFORE, though the first thirty Millions is by this Time said to be annihilated, with regard to the Debt; it would not be melted, or as sunk in the Sea, with regard to the State, because it would be in the Hands of the Subjects, ready to be produced on every proper Occasion.

And thus in so short a Term as twenty Years, will the happy Time be arrived (a Time which can never arrive, without some Scheme of this Nature being adopted) when the Government will be able to ease the Subject, not only of such Part of the Taxes as will be particularly appropriated for the Purpose of Annihilation, but also deliver us from several other Taxes of the most burthensome Kinds, and such as are most detrimental to the Prosperity

Prosperity of our Trade and Commerce ; the Annihilation still going on by a certainty of Sixty Millions more, sinking into nothing, in the Compass of one Age : And this great Advantage to Posterity, at greatly less Disadvantage to ourselves, than only two Years longer Continuance of the War, without the very many Millions of Pounds spent in present Mony, together with the Lives of many Thousands of our Countrymen, which are the Sinews of our Manufactures. I hope I have made it appear, that the Mony sufficient to pay only the Interest of that which would have been necessarily borrowed, will, if properly applied but for twenty Years, or very little more, relieve the present Generation of much, and the next from all the enormous Load of Debt, and the Taxes attending upon it.

FOR by this Measure, the State, if it pleases, may be freed, not only from ninety Millions, but the whole of the Debt.

ALTHOUGH

ALTHOUGH at first Sight it may appear, that Forty-eight Millions will be paid out of the Exchequer for the Annihilation, viz.

In the first twenty Years, 30 Millions additional Interest.

In the second twenty Years, 12 Millions additional Interest.

In the third twenty Years, 6 Millions additional Interest. —

Making together — — 48 Millions additional Interest. —

Yet in Fact it is not so, for nothing is given for the Annihilation, but the Advancement of the additional Interest during the first twenty Years, which will be again repaid to the State in the next forty Years; for the additional Interest which is to be paid to the second and third Classes, after the first twenty Years, is only Part of what the Creditors are intitled to at present, if no Annihilation-Scheme should take Place. For the Interest to be paid out of the Exchequer, for the first Class of 30 Millions, if not annihilated

annihilated, will from 20 to 60 Years a-
 mount to — — — — 36 Mill.
 and for the second Class, from }
 40 to 60 Years, amount to — } 18 Mill.

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 out of which 54 deduct 18 Millions for
 additional Interest for the latter Terms of
 the second and third Classes, if annihilated,
 and there will remain 36 Millions for the
 State, in lieu of the 30 Millions advanced
 to the Subscribers in the first twenty
 Years. The six Millions Surplus will
 therefore enable the State to amend my
 Proposal, if it should be thought too hard
 for, or by the Stock-holder, in some such
 Manner as I have hinted.

AND thus in the most simple and un-
 compounded Manner of stating the Ac-
 count, it appears, that the Government
 may discharge the Whole of the National
 Debt, without making use of the Sponge,
 of which some People so readily talk.

AND however paradoxical the Expression
 may sound, I can assert, That at the End
 of

of sixty Years, ninety Millions of the Debt, will have been honourably Discharged with NOTHING, to the Satisfaction of the Creditors of the State, and to the Relief of the Subjects in general, from an immense annual Burthen of Taxes, raised for Interest Mony.

THIS will be a Prospect to our Enemies as dreadful as our Fleets, and as likely to maintain the Respect due to our Monarch's Crown, from neighbouring Princes; especially when they shall see him able to defend his own and his People's just Rights, and at the same Time not to be increasing, but decreasing their Taxes.

BUT fresh Taxes must continually be laid upon us, and end in the Ruin of our Posterity; if some annihilating Scheme, is not immediately set about, and begin to take Place with the Beginning of the Peace.

It is possible some selfish Persons, not Stock-holders, may think I have been
too

too tender of Posterity, and too regardless of ourselves; and others, who are Stockholders, that I have been too mindful of theirs, and too regardless of their Posterities Interest: But such Men should be reminded of the terrible Calamities which would overwhelm the Nation, in case any fresh War, or other disastrous Circumstances should blow up the public Credit. Calamities! too dreadful to be mentioned; the Discontent, Distraction, and Confusion of which might occasion such Convulsions and Revolutions, as would end in the Destruction of our Liberties, of our Religion, and of every thing that is dear to a *British* Heart. God forbid that this should be *probable*! But the bare *Possibility* of it, is sufficient to alarm every true Lover of his Country, and to apologize for a well-meaning Man's having proposed something for its Prevention, which may lead abler Hands to some more efficacious Methods of saving us and our Posterity from the certain Ruin which otherwise seems to await us.

F I N I S.

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 on it, it is sufficient to alarm every true
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 posed something for its Prevention, which
 may lead other Hands to some more
 efficacious Methods of saving us and
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